

COMMITTEE ON LEGISLATIVE RESEARCH
OVERSIGHT DIVISION

FISCAL NOTE

L.R. No.: 2238-01
Bill No.: HB 948
Subject: Education, Elementary and Secondary: Elementary and Secondary Education
Department; Environmental Protection
Type: Original
Date: April 16, 2001

FISCAL SUMMARY

ESTIMATED NET EFFECT ON STATE FUNDS			
FUND AFFECTED	FY 2002	FY 2003	FY 2004
General Revenue	(\$1,658,800)	(\$178,800 to Unknown)	(\$178,800 to Unknown)
Total Estimated Net Effect on <u>All</u> State Funds	(\$1,658,800)	(\$178,800 to Unknown)	(\$178,800 to Unknown)

ESTIMATED NET EFFECT ON FEDERAL FUNDS			
FUND AFFECTED	FY 2002	FY 2003	FY 2004
Total Estimated Net Effect on <u>All</u> Federal Funds	\$0	\$0	\$0

ESTIMATED NET EFFECT ON LOCAL FUNDS			
FUND AFFECTED	FY 2002	FY 2003	FY 2004
Local Government			

Numbers within parentheses: () indicate costs or losses.
This fiscal note contains 4 pages.

FISCAL ANALYSIS

ASSUMPTION

Officials from the **Department of Public Safety - State Emergency Management** determined there would be no fiscal impact to their agency.

According to officials from the **Department of Elementary and Secondary Education (DESE)**, CHEMIS (Chemical Health and Environmental Management in Schools) is a web-based application which is being marketed by Pan-Educational Institute (PEI). The objective of PEI's web-based initiative is to create a customized database that allows schools in any district or state to share information about their hazardous chemical inventory and to access information regarding storage, handling, and disposal of hazardous chemical substances.

Included in PEI's project description and proposal abstract is a budget summary which calls for \$100,000 in start-up costs and a fee of \$200 per school, per year. The proposal does not address the cost to each school district for computer equipment, nor does it indicate the extent of ongoing subscription and maintenance costs. Currently, there are approximately 1,200 middle schools and high schools that have science/chemistry classes utilizing chemicals. Ongoing costs are unknown but would likely exceed \$100,000.

DESE states that successful completion of these objectives is contingent upon implementation of this program in all schools in all states. In addition, every school in Missouri has a copy of Flinn's Scientific Manual which is included in the School Safety Manual and which covers the same issues as CHEMIS 4.0.

Based on information provided in The 1997 Missouri School District Computing Census, **Oversight** assumes that no more than 50% of the schools involved would need to purchase computer equipment. Oversight also assumes, based on information from CHEMIS, that the cost per school/per year is \$149 with discounts offered for school districts with more than one school per district.

FY 02

1,200 schools x \$149 fee =	\$ 178,800
600 schools x \$2,300 for computer equipment =	\$1,380,000
Start-up costs \$100,000 =	<u>\$ 100,000</u>
	\$1,658,000

FY 03 and 04 costs would be \$178,800 plus unknown maintenance costs.

LD:LR:OD (12/00)

<u>FISCAL IMPACT - State Government</u>	FY 2002 (10 Mo.)	FY 2003	FY 2004
General Revenue			
<u>Cost - Department of Elementary and Secondary Education</u>			
CHEMIS 4.0 system and equipment	(\$1,658,800)	(\$178,800 to Unknown)	(\$178,800 to Unknown)
NET EFFECT ON GENERAL REVENUE	<u>(\$1,658,800)</u>	<u>(\$178,800 to Unknown)</u>	<u>(\$178,800 to Unknown)</u>
<u>FISCAL IMPACT - Local Government</u>	FY 2002 (10 Mo.)	FY 2003	FY 2004

FISCAL IMPACT - Small Business

No direct fiscal impact to small businesses would be expected as a result of this proposal.

DESCRIPTION

This bill requires public school districts to adopt policies to implement the federal Emergency Management Agency's CHEMIS (Chemical Health and Environmental Management in Schools) risk management system for handling chemicals in schools. Policies must include a timetable for implementation, funding requirements, and an evaluation method.

This legislation is not federally mandated, would not duplicate any other program and would not require additional capital improvements or rental space.

SOURCES OF INFORMATION

Department of Elementary and Secondary Education
Department of Public Safety
State Emergency Management Agency

NOT RESPONDING

Department of Natural Resources

A handwritten signature in black ink, appearing to read "Jeanne Jarrett". The signature is stylized with a large initial "J" and a cursive "T".

Jeanne Jarrett, CPA
Director

April 16, 2001